

SECURITIES AND EXCHANGE COMMISSION NEWS DIGEST



A brief summary of financial proposals filed with and actions by the S.E.C.

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FOR RELEASE April 28, 1965

SCOTT, HARVEY & CO. REVOKED. In a decision under the Securities Exchange Act announced today (Release 34-7586), the SEC revoked the broker-dealer registration of Scott, Harvey & Co., Inc., Fair Lawn, N. J., for violations of certain provisions of the Federal securities laws. William J. McFarland and Herman Liss, officers, were each found a cause of the revocation order.

On the basis of the respondents' consents and allegations contained in the order for proceedings, the Commission found that the registrant, aided and abetted by McFarland and Liss, effected securities transactions in March 1964 at a time when it was unable to meet its liabilities arising in the ordinary course of such business and in violation of the Commission's net capital rule. Further, the registrant's application for registration and amendments thereto did not disclose the prior employment of McFarland and Liss by other broker-dealers and the existence of a New Jersey court order enjoining McFarland from issuing, selling or offering to sell securities of Mobile Diversified, Inc., within or from that State.

JERVIS SECURITIES WITHDRAWAL PERMITTED. The SEC today announced a decision under the Securities Exchange Act (Release 34-7587) permitting Jervis Securities, Inc., Passaic, N. J., to withdraw its registration as a broker and dealer. The Commission also discontinued proceedings against the firm and its president, Joseph Jervis, based upon a charge that the company had failed to file a report of financial condition for 1963. The respondents filed an offer of settlement, which the Commission accepted, stating that they are no longer engaged in the securities business and owe no money or securities to any of the firm's customers, and consenting to findings as alleged in the order for proceedings on condition that the firm be permitted to withdraw its registration. The Commission ruled that the firm had violated its financial reporting requirement but granted the withdrawal request.

FIRST VIRGINIA CORP. FILES EXCHANGE PROPOSAL. The First Virginia Corporation, 2924 Columbia Pike, Arlington, Va., filed a registration statement (File 2-23520) with the SEC on April 27 seeking registration of 410,000 shares of common stock. Of this stock, 320,000 shares are to be offered in exchange for all the outstanding common stock of the Bank of Chesapeake (Chesapeake, Va.), at the rate of 8 company shares for each Chesapeake share; and 90,000 shares are to be offered in exchange for the outstanding common stock of Peoples Bank of Radford (Radford, Va.), at the rate of 9 company shares for each Peoples share. The exchange proposal is conditioned upon the tender of at least 80% of the outstanding stock of each of the two banks.

The company functions primarily as a controlling stockholder of nine banking subsidiaries engaged in the general commercial banking business in Virginia. In addition to indebtedness, the company has outstanding 4,441,101 common shares, of which management officials own 17.8%. Edwin T. Holland is board chairman and Ralph A. Beeton is president.

ABBOTT LABS FILES STOCK PLAN. Abbott Laboratories, North Chicago, Ill., filed a registration statement (File 2-23519) with the SEC on April 27 seeking registration of 6,000 participations in its Stock Retirement Plan, together with 57,000 shares of common stock that may be acquired pursuant thereto.

SUNSHINE SECURITIES FILES APPEAL. The SEC has granted a petition of Sunshine Securities, Inc., of Rego Park, N. Y., for Commission review of a decision of its Hearing Examiner in which the Examiner ruled that the said firm's broker-dealer registration should be revoked because of its failure to file a report of financial condition for 1963. In granting the petition, the Commission prescribed the schedule for the filing of briefs.

SECURITIES ACT REGISTRATIONS. Effective April 28: Automatic Data Processing, Inc., 2-23371 (June 7); Eli Lilly and Co., 2-23238 (July 28); Phillips Petroleum Co., 2-23437; The Denver Chemical Manufacturing Co., 2-23314 (July 30); The United Gas Improvement Co., 2-23435.

NOTE TO DEALERS. The last date or the period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.

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